

**Statement of
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Federal Transit Administration
U.S. Department of Transportation
Before the
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Committee on Homeland Security
U.S. House of Representatives
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on
Lower Manhattan Transit Recovery**

Thank you, Mr. Chairman and members of the committee. I am pleased to join this panel, and to have an opportunity to testify on the progress we are making in the Lower Manhattan transportation recovery effort. My name is Bernard Cohen, Director of the Federal Transit Administration's (FTA) Lower Manhattan Recovery Office (LMRO).

The terrorist attacks of September 11, 2001, crippled Lower Manhattan's transportation infrastructure. The worst of this devastation was not visible above ground. Lower Manhattan lost the PATH line from New Jersey to the World Trade Center – operated by the Port Authority of New York and New Jersey (Port Authority) that had carried an average of 67,000 passengers daily. Debris from the Twin Towers crushed the PATH World Trade Center station—the gateway to New York City for so many. Two New York City subway lines were heavily damaged, along with a major arterial highway. Remarkably, despite the scale of this destruction, not a single life was lost on transit due to the terrorist attacks on that day.

Shortly after 9/11, President Bush declared New York a national disaster area. Congress appropriated \$20 billion for many aspects of Lower Manhattan's recovery, out of which they budgeted \$4.55 billion for transportation needs. An additional \$200 million for ferry facilities and rail infrastructure was appropriated by Congress and made part of the overall transportation recovery effort.

That recovery effort still benefits today from sound decisions that public agencies made immediately after the President's declaration. The most elemental of these decisions was a proactive commitment to coordination. Nine months after the attacks, FTA established a beachhead in Lower Manhattan—a dedicated office that strengthened lines of communication and collaboration in Lower Manhattan. FTA worked to establish "one-stop shopping" for Federal transportation funds, to ease administrative burdens on project sponsors. Through a Memorandum of Agreement with the Federal Emergency Management Agency (FEMA), FTA became the lead agency to move transportation money and projects forward.

When we became the lead agency in this effort, we formulated a straightforward but challenging mission: to streamline transit recovery while maintaining responsible stewardship of taxpayer dollars, and exceptional oversight. Unlike other FTA-funded projects, the Lower Manhattan projects are almost entirely Federally funded, so we felt the stewardship obligation

just as keenly as the imperative that we revive Lower Manhattan's transit lifelines as quickly as possible.

We also recognized that we would have to operate simultaneously in two "time zones"—the immediate and the long term—to meet the transit needs of Lower Manhattan.

The LMRO has now obligated most of the money entrusted to Lower Manhattan transportation. A total of \$4 billion of the \$4.55 billion budget has been committed to projects. This figure includes a reserve for each project as a prudent measure of stewardship to ensure that we have the resources in place to complete our program.

I am very pleased to report that all of the three major, fully-funded transit projects for which initial grants were made are under construction today. These projects promise not only to improve service, but also to enhance dramatically the passenger convenience and visibility of transit in Lower Manhattan. Indeed, the United States, determined to come back from the 9/11 attacks stronger than ever, resolved not just to reconstruct Lower Manhattan's infrastructure as it existed before, but to improve upon it. The recovery presented Lower Manhattan with an opportunity to modernize and rationalize its infamous "spaghetti bowl" tangle of transit lines. The Federal Government and Lower Manhattan have seized that opportunity. We are creating a vastly more visible, navigable, seamless, and customer-friendly system for Lower Manhattan.

Construction began in March of this year on the permanent World Trade Center PATH terminal. Since 2003, FTA has awarded the Port Authority up to \$2.2 billion for the PATH terminal, and project sponsors completed their environmental review in June 2005. In addition to restoring commuter service, the project includes pedestrian connections to the Fulton Street Transit Center and the World Financial Center. The Port Authority has engaged the renowned architect Santiago Calatrava to design the PATH terminal, which many have come to regard as the Grand Central Station of Lower Manhattan, a transit focal point. The majestic glass and steel terminal is scheduled for completion in June 2011.

FTA has also provided a \$478 million grant to develop a state of the art World Trade Center Site Security Center that will screen all vehicles for security threats and provide parking for tour buses. This facility will ensure that vehicles servicing the buildings or parking in the Center will not be used as weapons.

In July 2005, the Metropolitan Transportation Authority (MTA) began construction of the Fulton Street Transit Center, used by 275,000 people a day. The construction agreement between FTA and MTA provides for up to \$847 million in Federal funds. This grant will fully fund a multi-level complex of stations that will serve 12 different subway lines. The existing maze of narrow ramps, stairs, and platforms will be transformed into a more spacious and rational configuration. A prominent transit center will replace street entrances previously hidden inside buildings. MTA was awarded this grant in December 2003. The environmental review for Fulton was completed in November 2004, and completion of construction is scheduled for June 2009.

Also in December 2003, FTA awarded MTA a grant up to \$420 million for the South Ferry Terminal Station, the last station at the southern end of the IRT #1 subway line. This project will eliminate the tight-curve platforms that prevent operators from opening the doors on the rear five cars of their trains. It will increase the number of entrances from one to three, and make the station accessible to disabled passengers. Construction on the terminal began in March 2005, and should be completed by April 2008.

I should add that LMRO is also providing \$287 million toward the cost of rebuilding Route 9A/West Street, the major north-south state arterial highway that runs down the West Side of Lower Manhattan. FTA and the Federal Highway Administration have executed two Memoranda of Agreement in the last two years to provide for the transfer of funds and outline the oversight responsibilities of each agency. This roadway project is already under construction and is scheduled to be completed by June 2009.

Community leaders envision these transit projects as anchors of the overall recovery effort that is unfolding today, and will continue into the next decade.

Over the last four years, many of our office's priorities have also been Lower Manhattan's priorities. The economic renaissance in many respects begins with the vanguard of transit systems that can carry riders, visitors, and workers into and out of the area. We have been the beneficiaries of a broad understanding that transportation is a first chapter in the Lower Manhattan success story.

The LMRO has also made a priority of working collaboratively with other major players in transportation reconstruction, which was crucial in the project selection process. FTA worked closely with a committee formed by Governor Pataki and including key city and state transportation agencies, as well as the Lower Manhattan Development Corporation. This committee generated the initial list of transportation recovery projects from which our three projects were selected. Because of this collaboration, we have been able to advance well-designed, well-received transit projects. In turn, the business community has responded with a burst of optimism to renovate and build in Lower Manhattan.

As construction progresses on the three major transit projects, Lower Manhattan has become an incubator for innovations and lessons learned that can benefit other transit systems and projects.

Certainly, the Lower Manhattan context rewards innovation, and creative ways of doing business. FTA adopted a novel, risk-based oversight approach to management. We undertook formal risk assessments early in the development of each project, and tailored our oversight accordingly. We focused on the preemption of risks rather than the mitigation of problems after the fact. We established reserves for our projects based on our risk assessments in order to ensure that sufficient resources will be in place to complete the recovery projects.

Throughout this entire process, the LMRO has endeavored to exercise a truly exceptional level of proactive oversight. Specifically, this means that we have paid close attention to costs and schedules at every step. We have given project sponsors approval to move through various

phases of design and development. We have entered into construction agreements when sponsors have been ready to begin work. And, we have carefully scrutinized and reviewed procurement procedures and financial systems.

We have applied the same extraordinary degree of oversight to transit security in Lower Manhattan. FTA has been centrally involved in, and well aware of, key security design features for all of the projects, from the earliest phases of work. Security features are being integrated into the very design of these projects. FTA retained a consultant to review security documents that we required our project sponsors to prepare, including threat and vulnerability assessments, construction site security plans, security management plans, and design guidelines.

To meet environmental standards while advancing these important projects as quickly as possible, we worked closely with project sponsors to create an active environmental oversight approach. We adapted a Cumulative Effects Analysis approach to assess the overall environmental impact of all of the transit projects in Lower Manhattan. Our project sponsors, in turn, have made a landmark agreement to implement aggressive mitigations for those effects. Collaborating with project sponsors, we established one single, consistent set of methodologies, data, sources, and assumptions for all of the projects. These shared assumptions allowed for comparability across projects, and vastly shortened the time traditionally needed to prepare and review environmental documents.

None of these was a "cookie cutter" approach. In our environmental streamlining, risk assessment, and project oversight, we have drawn on our collective experience and our creativity to customize solutions that fit specific projects.

The Lower Manhattan transit recovery is as much a story of building relationships as it is of building track, road, and rail. From the start, we have focused on coordination and regular communication with state and local officials, public and private project sponsors, other Federal agencies, the business community, organizations representing the families of the victims of 9/11, and other major players in this complex undertaking. That legacy of coordination endures today in the Lower Manhattan Construction Command Center (LMCCC), which is funded largely through an FTA grant. The LMCCC began as a voluntary collaboration among project sponsors dedicated to minimizing the negative impact of overlapping construction projects on an already-fragile community. The LMCCC emerged from that undertaking as a formal organization that, today, coordinates construction logistics. The LMCCC formalizes the kind of coordination that has characterized the transit recovery effort from its earliest days.

FTA's dual focus on streamlining and stewardship has paid off. Four years after we first established a beachhead in Lower Manhattan, we have committed the bulk of the Federal transit money to three major, popularly-acclaimed transit projects, for which construction is already well underway. When complete, these projects will transform—even revolutionize—the transit landscape in Lower Manhattan. They will make the transit system dramatically more iconic, secure, accessible, and customer-friendly than it was in pre-9/11 days.

On behalf of the entire LMRO and FTA, thank you for this opportunity to update you on our progress. Now I'd be happy to answer any questions.